

OILCROPS

Global oilseed production in 2022/23 is forecast to rebound from the previous season to an all-time high, primarily driven by expected output recoveries of soybean and rapeseed, which more than offset a likely drop in sunflower seed production. The anticipated record world soybean production is chiefly underpinned by a markedly higher output expected in Brazil, assuming normal weather conditions, whereas the crop in the United States of America could fall slightly because of lower yields. International rapeseed production is predicted to rise sizeably, thanks to favourable outlooks across Australia, Canada and the European Union. By contrast, world sunflower seed production is seen declining, as the war in Ukraine has disrupted sowing activities significantly, while yields are also expected to fall as a result of shortages of inputs. In the case of palm oil, global output is forecast to rise modestly, as lingering labour shortage issues in Malaysia continue to constrain the potential for a higher growth rate.

In 2022/23, world oils/fats consumption is anticipated to recover from an exceptional slowdown registered in 2021/22 amid elevated costs, while global oilmeal uptake is also seen expanding moderately after stagnating during the previous season, linked to expectations of growing feed demand mainly in China (mainland). Meanwhile, international trade in vegetable oils and oilmeals is forecast to rebound after contracting for two consecutive seasons, on account of anticipated improving global supplies and larger import purchases, particularly from Asia.

With the global output of oilcrop derived products seen exceeding consumption, a replenishment of world stocks is envisaged for both oils/fats and oilmeals by the end of the 2022/23 season, although the stocks-to-use ratios for both products are anticipated to remain below their respective five-year averages, implying relatively tight market outlooks. In line with such fundamentals, international prices of oilseeds, vegetable oils and oilmeals continued hovering around multi-year high levels in recent months, after spiking to all-time highs in early 2022.

In the coming months, the markets of oilcrops and their by-products will be influenced by numerous uncertainties. These include climatic conditions in major growing regions, consumption patterns associated with global economic prospects, the war in Ukraine, changes in trade policies, the direction of biodiesel admixture mandates and crude oil prices.

For additional analyses and updates, see:

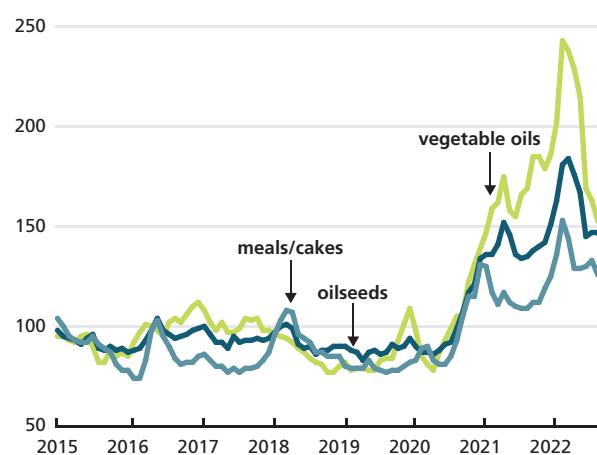
Oilcrops Monthly Price and Policy Update
<https://www.fao.org/markets-and-trade/publications/en/?querystring=Oilseeds>

AMIS Market Monitor
<http://www.amis-outlook.org/amis-monitoring>

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FAO MONTHLY INTERNATIONAL PRICE INDICES FOR OILSEEDS, VEGETABLE OILS AND MEALS/CAKES (2014-2016=100)



Source: FAO

WORLD OILCROP AND PRODUCT MARKET AT A GLANCE

	2020/21	2021/22 estim.	2022/23 f'cast	Change: 2022/23 over 2021/22
	<i>million tonnes</i>			<i>%</i>
TOTAL OILCROPS				
Production	617.8	611.7	654.5	7.0
OILS AND FATS				
Production	241.6	245.1	255.4	4.2
Supply	276.6	276.4	287.4	4.0
Utilization	245.9	243.5	251.9	3.4
Trade	132.7	125.6	136.3	8.5
Global stocks-to-use ratio (%)	12.7	13.2	13.6	
Major exporters stocks-to-disappearance ratio (%)	9.3	10.8	10.1	
MEALS AND CAKES				
Production	160.2	157.4	170.2	8.1
Supply	190.5	185.0	195.0	5.4
Utilization	160.2	160.3	164.4	2.6
Trade	103.0	100.7	107.1	6.3
Global stocks-to-use ratio (%)	17.2	15.5	16.8	
Major exporters stocks-to-disappearance ratio (%)	9.3	9.1	9.2	
FAO PRICE INDICES (2014-2016=100)	2020	2021	2022 Jan-Oct.	% Change Jan/Oct 2022 over Jan/Oct 2021
Oilseeds	97	139	160	15.0
Meals/cakes	92	116	133	15.1
Vegetable oils	99	165	195	20.9

Note: For explanations on definitions and coverage kindly refer to previous issues of Food Outlook.

Source: FAO